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C O N F I D E N T I A L SECTION 01 OF 07 HANOI 000030

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DEPARTMENT FOR EAP/MLS, INR/EAP

E.O. 12958: DECL: 01/06/2016

TAGS: PGOV PINR VM

SUBJECT: NEXT WEEK'S PARTY PLENUM TO DISCUSS PERSONNEL AND

PARTY DOCUMENTS, INCLUDING POLITICAL REPORT

REF: A. HANOI 11

¶B. 05 HANOI 2967

1C. 05 HANOI 2063

¶D. 05 HANOI 256

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Classified By: Deputy Chief of Mission John S. Boardman per 1.4 (b), (d)

- 11. (C) Summary: In preparation for the National Party Congress, the Communist Party of Vietnam will kick off its 13th Plenum on January 11. Meeting for several days, the Central Committee will both discuss its future membership and other leadership issues and examine several important Party documents (and the opinions they generated at recently concluded local Party congresses). Among these documents is the draft Party Political Report, a copy of which Post recently received. The report is heavily focused on issues related to economic development and international integration and calls on the Party and the nation to continue the "doi moi" (renovation) policy. The report only refers in passing to "political doi moi" and exhorts the Party and nation to fight corruption. End Summary.
- 12. (SBU) According to a number of local contacts, the Communist Party of Vietnam will hold its 13th Plenum (meeting of the Central Committee) from January 11 to at least January 114. In all likelihood, this will be the penultimate, if not last, plenum prior to the National Party Congress (which, depending on the source, will be held in April, May or June.) One focus of this plenum will be personnel issues -- namely, who will serve on the next Central Committee and what the Party's and GVN's senior leadership changes will look like. Another key item of plenum business will be discussions about important Party documents and the collation of the opinions these documents generated at recently concluded provincial, municipal and organizational Party congresses.
- 13. (C) In addition to the proposed revisions to the Party Statutes (Ref A), the Party's Five-year Plan and its draft Political Report are two other key documents that the Plenum will examine and the National Party Congress will ultimately approve and release. Post recently received from a local contact a copy of the draft Political Report, which is marked "secret" in Vietnamese (a rough Political Section translation of the draft report follows in paragraph 9; Post forwarded the complete report by pouch to EAP/MLS). Post also received the report's "discussion questions" for use at the local Party congresses (paragraph 10). Although the Political Report describes in familiar terms the Party's view of its and Vietnam's achievements, weaknesses, challenges and aspirations, there are a number of areas worth highlighting:

- ¶4. (C) The overarching importance of economic development. More than any other issue, the report focuses on the need for Vietnam's continued economic development and international economic integration. In the finest tradition of socialist self-criticism, the report candidly assesses Vietnam's current weaknesses and puts forth a number of concrete goals for improving its economic situation, increasing its international competitiveness and easing the pains of WTO accession.
- 15. (C) "Doi moi" is here to stay. The report lauds the two-decade success of Vietnam's "doi moi" (renovation) policy and invokes it in everything from economic growth to education policy. Over the next five years, the report urges, doi moi must be strengthened and utilized to further Vietnam's growth and development in all economic and social areas.
- 16. (C) Not much to say about political renovation. Although some had suggested that the upcoming Party Congress would address "political doi moi," the draft Political Report mentions this only in passing and has few things to say about political change of any kind. While fighting corruption, strengthening the Party's leadership and building "democracy" (code for increasing budget and other accountability) figure prominently in the report, there is little else that is overtly "political" in this Political Report.
- 17. (C) Beware of hostile forces. The Party exhorts itself and Vietnam's defense, foreign affairs and security branches to combat "hostile forces" that seek to advance their conspiracy of "peaceful evolution" (which translated means the United States and others that use the Trojan horse of trade and aid to overturn Vietnam's system). Also worthy of caution are those who would use "democracy," "human rights," "religion" and "ethnicity" to interfere in Vietnam's internal affairs.

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- 18. (C) Vietnam in the region and the world. In several sections, the report calls on the Party and the nation to pursue strategies and policies to strengthen Vietnam's place regionally and globally and to assume greater international responsibilities. Although no country is mentioned by name, relations with China are raised in terms of the fair and equitable resolution of border, territorial and resource disputes.
- $\underline{\mbox{\bf 1}} 9 \, .$ (C) Begin text of draft Political Report of the 10th National Congress.
- I) Review of the five-year implementation of the 9th Party Congress' resolutions:

Achievements:

- --1. The economy has overcome recession, reached a relatively high growth rate and developed comprehensively
- --2. Cultural and social affairs have made much progress, in close linkage with economic development; the people's lives have improved.
- --3. National defense and security have been strengthened; external relations activities have broadened, contributing to socio-political stability and maintenance of a peaceful environment.
- --4. The building of a socialist rule of law state has progressed in the legislative, executive and judicial areas; the power of great national unity has been promoted
- --5. Party building work and the campaign to build and reorganize the Party and to make the political system clean have achieved a number of results.

Weaknesses:

- --1. Our economic growth rate still does not meet its potential. The quality of growth, and the economy's effectiveness, competitiveness and ability to integrate internationally are still low.
- --2. Mechanisms and policies for cultural and social affairs have been slow to reform and become more concrete; many urgent and complicated social matters are not handled very well.
- --3. There are still limits in the areas of national defense, security and external relations. Overall strength and military units' ability to fight still do not meet the demands of the new situation. A number of foreign affairs activities still do not have a high level of initiative. There is still weak coordination among security, national defense and foreign policies.
- --4. A number of areas in the organization and operations of the State, Fatherland Front and mass groups have not yet been reformed. The ability of the National Assembly to carry out its oversight function is still low. Local administrations, particularly People's Councils, still have a number of unsound points. Judicial reforms are still not centralized and in step with each other, and administrative reforms are slow to meet demands. Activities of the Fatherland Front and other mass organizations in some areas are passive and formalistic. Democracy is still violated. Order and discipline in some sectors continue to be loose.
- --5. Party building still has not fundamentally transformed and reorganization does not meet the demands that have emerged. Opportunism and a lack of sincerity are on the rise. Leadership ability and organizational fighting strength are low. Party consolidation is slow and lacks wisdom.
- II) General assessment of 20 years of Doi Moi

There have been huge, comprehensive and historical achievements.

In practice: After 20 years of Doi Moi, the economy has emerged from a socio-economic crisis and now is growing quickly; a socialism-oriented market economy is being built, and modernization and industrialization are proceeding. The alliance among the workers, intellectuals and farmers, under the leadership of the Party, is strengthening and being consolidated. National defense and security are stronger by

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the day. Foreign relations have expanded, and Vietnam's place on the international stage continues to loom larger. Politics and society are stable, sovereignty is secure and territorial integrity is sustainable.

In theory: The Party's recognition of socialism and the road to socialism in Vietnam are clearer than ever. Until now, the Party has advanced based on a number of unified theoretical points regarding renovation (Doi Moi) and socialism.

Weaknesses: Our country remains underdeveloped and is still in danger of falling behind regionally and globally. Theory alone is not sufficient to resolve a number of pressing problems in daily life and has not yet created a high level of ideological unity and action to: overcome bureaucracy and corruption and prevent the danger of Party decline; create a political/administrative organization that is rational and can avoid redundancy and abuse of power; promote all social resources and potential; thoroughly resolve the tension between the speed of growth and the quality of development, between economic growth and social development and equality,

between economic Doi Moi and political Doi Moi and between sovereign independence and positive international integration.

Looking back on the past 20 years of Doi Moi, based on our achievements and limits and weaknesses, we can derive the following lessons:

- -- 1. During the Doi Moi process, we have to hold fast to the goal of national independence and socialism based on the foundation of Marxism-Leninism and Ho Chi Minh Thought, while always keeping in mind new things and new developments;
- $\ensuremath{\mathsf{--}}\xspace$ 2. Doi Moi must be comprehensive, well coordinated and well formed;
- -- 3. Doi Moi must serve the people's interests and derive from the people, and must promote the initiative and creativity of the people;
- -- 4. It must raise the level of internal power while taking advantage of outside power, combining the strength of the nation with the strength of new, modern conditions;
- -- 5. And, it must increase the Party's leadership ability and militancy, continuing to renovate the political system, while building and perfecting democracy and the rights of the people.
- III) Goals and orientation of the country's development for 2006-2010 and up to 2020
- --1. Forecasts for the years ahead.

Globally: Peace, cooperation and development are the most significant general trends. Global and regional economies have recovered and are developing but at uneven rates. Globalization and international economic integration will continue to move quickly, but economic and commercial competition will remain fierce.

Regional conflicts, military clashes, ethnic and religious conflict, arms races, subversive interventionist activities, national divisions, terrorist activities, conflicts over territory and natural resources and resistance against unilateralism and hegemony will continue to present complex problems. At the same time, the nations of the world will have to coordinate to resolve increasingly pressing global problems such as the growing divide between rich and poor, environmental protection, population growth and migration, depleting natural resources, global warming, infectious diseases and transnational crime.

In the Asia-Pacific region in general and Southeast Asia in particular, the trend towards peace, cooperation and development continues to strengthen. Cooperation in a number of areas between countries in the region continues to develop. However, there are still latent factors that can cause instability, such as border, territorial and resource disputes, terrorist activities and political and economic instability in a number of countries.

The global and regional situation outlined above will directly affect our country, creating both benefits and new opportunities but also giving birth to new challenges and difficulties.

Domestically: The achievements of the past five years

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(2001-2005) and during 20 years of Doi Moi (1986-2006) have greatly strengthened our power and position. International economic integration and accession to the World Trade Organization will provide further opportunities to renovate and to more quickly and effectively develop our economy and society. Our peaceful environment will continue to be maintained. These beneficial circumstances will allow us to

increase the pace of our country's development in the time to come.

However, the challenges before us are great. Our country is still underdeveloped and behind economically compared to other countries in the region and around the world. The process of international integration is forcing us to make a number of commitments and endure much pressure and competition. The evils of bureaucracy and corruption remain serious. The opposition of hostile forces through their conspiracy of "peaceful evolution" and efforts at violent overthrow are severe. Large natural disasters and dangerous diseases appear irregularly. Security, order and social safety in a number of regions and localities are not yet firmly ensured.

-- 2. General goals and orientation for 2006-2010.

Promote national strength, continue to coordinate and strengthen Doi Moi policy, mobilize all the resources of the entire society, push forward the nation's modernization and industrialization, positively integrate internationally and develop quickly and sustainably with the goal of emerging soon from the condition of underdevelopment and creating a modern, industrial economy by 2020.

Strive for economic growth that is faster paced, of higher quality and more sustainable. By 2010: a GDP that is 2.1 times the size of that in 2000; GDP growth between 2006 and 2010 should be 7.5/8 percent per year.

Continue to build and perfect the coordination of mechanisms of a socialism-oriented market economy. Speed up industrialization and modernization. Resolve various social problems. Develop culture, education, training and science and technology. Develop human resources and care for the well-being of the people. Protect the environment.

Strengthen national defense and public security. Expand foreign relations.

Build a solid and highly effective political system. Tightly weave Party building and reorganization and efforts to increase its leadership and struggle capacities with the construction of a rule-of-law socialist nation, promoting the role of the Vietnam Fatherland Front and various mass organizations.

 ${\tt IV}$) Strongly develop the socialism-oriented market economy by:

Building up mechanisms to regulate the market economy;

Synchronizing the development and effective management of major markets, such as the goods and services, financial, real estate, labor and science and technology markets.

Developing different economic components, such as the public, private and joint sectors. (Note: A footnote here explains that "there are opinions that, rather than 'joint sector,' the term 'foreign investment' should be used." End Note.) The State sector must be reformed, developed and made more efficient. The private and joint sectors must be developed strongly.

- V) Intensify industrialization and modernization. This includes the intensification of industrialization and modernization of agriculture and rural areas, industrial development geared towards modernization, comprehensive development of the service sector, external economic development (including improving Vietnam's balance of payments situation and the quality of export goods) and local economic development.
- VI) Be active in international economic integration. Build a comprehensive strategy regarding international economic integration and expand international cooperation that is linked to national development from now until 2010 and with a

view towards 2020. Tie together multilateral and bilateral development cooperation. Pursue comprehensive and effective cooperation with ASEAN members, contributing positively to the sustainable development and increased effectiveness of

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the organization. Develop and consolidate bilateral relationships of trust, particularly with strategic partners. Accelerate the signing of free trade agreements with other nations, particularly those with extensive economic and commercial relations with Vietnam. Prepare well for the challenges and difficulties we will face with WTO accession.

Actively pursue the legal mechanisms necessary to sign multilateral and bilateral economic cooperation agreements. Build the legal framework to guarantee coordination, consistency, stability and transparency in carrying out international commitments.

Our enterprises are the key to pursuing international economic integration and need to reform and manage themselves in a way that is appropriate to international practices. They also need to increase their competitiveness to integrate equally and effectively.

- VII) Improve the quality and effectiveness of education, training and science and technology; develop high quality human resources. Drastically and comprehensively reform the education and training sectors, and rapidly develop high quality human resources. Heighten scientific and technological levels.
- VIII Integrate social equality and advancement in all development policies. This is the key to guaranteeing the socialist orientation of our country's market economy. Our economic goals must be integrated well with our social goals in every policy, plan and strategy. On the basis of economic development we have to pursue social equity and fairness. We must create the conditions for reducing poverty and increasing wealth.
- IX) Make culture the real spiritual foundation of the society. Ensure that culture maintains the essence of our nation while going forward with economic and social development. Guarantee demoQacy and freedom in arts and literature.
- X) Intensify national defense and security, firmly defend the Socialist Republic of Vietnam. Protect Vietnam's independence, sovereignty, territorial integrity and unity. Protect the Party, the State, the people and the socialist system. Strengthen political, economic, cultural, ideological and social security. Maintain political and social stability. Defeat the conspiracies of hostile forces. Coordinate defense and foreign policies to better build the nation.

Link defense policy with national development policies. Protect sensitive areas. Prevent hostile forces from entering the country. Effectively promote military economic zones and study expanding them into isolated rural areas for economic development. Reform military industries.

XI) Broaden external relations, maintain the peaceful environment for the country's development. Continue our policies of independence, sovereignty, diversity and multilateralism for peace, cooperation and development. Pursue international integration and expand cooperation and exchanges, particularly in different regions. On the basis of sovereignty and territorial integrity and in the spirit of equality and fairness, pursue peaceful means to resolve border, resource and territorial disputes. Strengthen unity and cooperation with other communist and left wing parties, independence movements and progressive forces around the world. Continue to expand relations with other political parties and ruling parties.

Pursue overseas training and education opportunities. Strengthen the work of NGOs. Increase the quality and effectiveness of cooperation with NGOs and international organizations. Win the support of the international community for Vietnam's Doi Moi and nation-building policies. Join the global struggle for peace, national independence, democracy and social progress. Have dialogues on human rights with individuals, nations and regional and international organizations on the basis of equality and respect for each other's independence, sovereignty and non-interference in internal affairs.

Increase mutual understanding. Resolve to defeat "peaceful evolution" conspiracies and those that would take advantage of "democracy," "human rights," "ethnicity" and "religion" to interfere in Vietnam's internal affairs and violate Vietnam's independence, sovereignty, territorial integrity, security and stability.

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XII) Implement great national unity; reform and enhance the efficiency of the Vietnam Fatherland Front and mass organizations.

 $\ensuremath{\mathsf{XIII}}$) Promote socialist democracy, build and perfect the socialist rule of law $\ensuremath{\mathsf{State}}$

Promote socialist democracy. Socialist democracy is the goal and motivator of Doi Moi. All State mechanisms and cadres must work for the people. All Party policies and State laws must benefit the people. There must be forms and mechanisms to create the conditions for people enjoy and realize democratic rights and the areas of economics, politics, culture and society. We must realize democracy in the Party's activities and in how the Party leads.

Build and perfect the socialist rule of law State. Restructure the organization and management mechanisms for providing public service. Actively prevent and determinedly fight corruption

XIV) Continuously build up and reorganize the Party, enhance the leadership capacity of the Party. Enhance the political will and the militant capacity of the Party in new conditions. Continue to develop the creativity of Marxism-Leninism and Ho Chi Minh Thought. Increase the leadership capacity of the Party. Enhance the militant capacity and the core political role of grassroots party organizations.

Party members pursuing personal economic activities have to follow the Party Statutes, State laws and policies and a number of established conditions and regulations. (Note: A footnote to this explains, "There is the opinion that Party members can only pursue personal economic activities by themselves or in a handicraft business and cannot pursue personal capitalist activities. On the other hand, there is the opinion that Party members can pursue economic activities like any other citizen and do not need any kind of regulations or conditions. End Note.)

Promote democracy within the Party; strengthen the close relationship between the Party and the people; improve the quality and efficiency of control and supervision functions. All Party cadres and members have the right to participate in the Party's decision-making process and voice and maintain their own opinions. Once a resolution has been made, every Party member and organization must abide by it. All Party leaders and cadres must listen to the opinions of the Party's membership and organizations and every level in addressing issues in the Party and society.

Enhance the quality of the Party's personnel work. Reform the leadership methods and enhance the leadership capacity of

the Party. Strengthen the leadership role of the Party vis-a-vis the State, but don't replace the State or abuse power. Improve the role of the State but do not diminish the leadership role of the Party.

End draft Political Report.

- $\P 10.$ (C) Begin text of suggestions for discussion at grassroots Party congresses
- --1. Assessment of the implementation of the 9th Congress' resolutions. Is the draft report's assessment of achievements and weaknesses over the last five years accurate? What needs to be added? What were the causes of these achievements and weaknesses? Do we need to make necessary additions?
- --2. Goals and general orientation of the Five-year plan (2006-2010). Seek comments on the forecasts for the global and domestic situations, goals and orientation and the major socio-economic goals.
- --3. Building up mechanisms for a socialism-oriented market economy. Seek comments on the development of a number of markets: goods and services, finance, real estate, labor and science and technology. The ownership regime and economic components: How many ownership regimes and economic components does Vietnam have? What about the policies on these economic components?
- --4. Party members' engagement in private capitalist business. Seek comments on whether Party members should be allowed to do business. If yes, which regulations/conditions must be applied?

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- --5. Implement social progress and equity. Seek comments on the Party's stance in handling social matters. Are the social policies mentioned in the draft report enough? Are there necessary additions?
- --6. Restructure the organization and management mechanisms for supplying public services. Seek views about how this problem is handled and about reforming the service supply mechanism.
- --7. Corruption and the fight against corruption. Seek comments on the measures against corruption? Are there necessary additions?
- --8. Intensify national defense and security. Your views on national defense and security policies.
- --9. Broaden external relations, be active in international economic integration. Your views on the goals and policies on external relations.
- --10. Party building work. Seek comments on how to most appropriately explain the nature of the Party and measures to enhance the leadership and militant capacity of grassroots Party organizations.

End text of discussion suggestions. MARTNE